

**GOVERNMENT OF INDIA
PLANNING
LOK SABHA**

UNSTARRED QUESTION NO:490
ANSWERED ON:25.07.2001
PERFORMANCE CRITERIA FOR ANNUAL PLAN
ANNA SAHEB M.K. PATIL

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government propose to enforce the performance criteria at the time of finalising the States Annual Plans;
- (b) if so, the details thereof;
- (c) whether the Government have finalised terms and conditions for linking the release of funds with the performance;
- (d) if so, the details thereof; and
- (e) the names of the States which have signed Memorandum of Understanding with Union Government to enforce fiscal discipline?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF INVESTMENT, MINISTER OF STATE IN THE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) to (d): Performance criteria are already built into the Gadgil Formula for allocation of Normal Central Assistance to States since it takes into account the performance of States in fiscal management, tax effort, progress in national objectives i.e. population control, elimination of illiteracy, on-time completion of Externally-aided Projects(EAPs) and LandReforms. The performance of States in the realisation of plan targets is also monitored through official level discussions with the States, visits of the Commission to the States, and in discussions between Deputy Chairman, Planning Commission and Chief Ministers of States.

(e): The States which have signed Memorandum of Understanding (MOUs) for Fiscal Reforms during 1999-2000 are: Andhra Pradesh, Assam, Himachal Pradesh,, Jammu & Kashmir, Madhya Pradesh, Manipur, Mizoram, Nagaland, Orissa, Punjab, Rajasthan, Sikkim and Uttar Pradesh.